

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

JOSE MORENO, ET AL.,

No. C 05-1250 MJJ

Plaintiffs,

**ORDER ADOPTING REPORT AND  
RECOMMENDATION AND GRANTING  
PLAINTIFFS' MOTION FOR DEFAULT  
JUDGMENT**

v.

CASRIK, INC., ET AL.,

Defendants.

Pending before the Court are Plaintiffs' Motion for Default Judgment (Doc. #10). On May 25, 2006, Chief Magistrate Judge James Larson issued a Report and Recommendation ("R&R") granting Plaintiffs' Motion (Doc. #19). Pursuant to Federal Rule of Civil Procedure 72(b), after Judge Larson issued his R&R, Defendants had 10 days to serve and file objections to the recommended disposition of the matter. Defendants did not file any objection within this time period.

The Court has considered the R&R and agrees with Judge Larson's analysis and conclusions. Accordingly, the Court **ADOPTS** the R&R, and **GRANTS** Plaintiffs' Motion for a Default Judgment as follows:

As to Plaintiffs' First Cause of Action, the Court **ORDERS** that Plaintiffs shall recover from Defendants Casrik, Inc., and Joel Carone, who shall be jointly and severally liable therefor, the sum of \$23,533.86, consisting of \$17,509.66 for unpaid contributions, \$4,524.20 for interest as of October 25, 2005 on the unpaid balances of the monthly employer obligations, plus further interest on the unpaid

1 contributions at \$8.63 per day from that date until the date of judgment, and \$1,500.00 for “flat fee”  
2 liquidated damages.

3 With respect to Plaintiffs’ Second Cause of Action, the Court **GRANTS** Plaintiffs’ request for  
4 an injunction requiring Defendants to submit to an audit of their financial records. Defendants shall  
5 immediately submit to an audit and shall grant Plaintiffs access to those financial records necessary to  
6 conduct the audit. The financial records shall include, for the time period October 2003 through the  
7 present, at a minimum: Individual earnings records; Federal Tax Forms W-3/W-2 and 1069/1099;  
8 Reporting forms for all Trust Funds, State DE-3/DE-6 Tax Reports; Workers’ compensation insurance;  
9 Employee time cards; Payroll Registers/Journals; Quarterly payroll tax returns (Form 941); Check  
10 register and supporting cash vouchers; Forms 1120, 1040 or partnership tax returns; General ledger;  
11 Source Records, including time cards and time card summaries for all employees; Certified payroll  
12 reports; Personnel records indicating job classifications and hire/termination dates; Cash disbursement  
13 journal; Vendor invoices; Copies of subcontract agreements; Cash receipts journal; Job cost records;  
14 Records of related entities; and any other books and records that may be necessary to complete the  
15 auditor’s determination or provide additional explanation of Defendants’ financial records.

16 The Court shall retain jurisdiction over Plaintiffs’ Second Cause of Action to oversee compliance  
17 with this judgment. Additionally, the Court retains jurisdiction to enforce its Order herein and to hear  
18 a motion for a further money judgment for unpaid employer contributions and related expenses owed  
19 by Defendant or Defendants as may be discovered by such audit or further discovery.

20 The Court further **ORDERS** that Plaintiffs shall recover from Defendants costs in the amount  
21 of \$434.24 reasonably incurred in bringing this action, and attorneys fees in the sum of \$6,210.00,  
22 reasonably incurred by Plaintiffs’ counsel in prosecution of this action to the date of this judgment.


23 Finally, the Court **ORDERS** that Plaintiffs shall recover from Defendants such interest as shall  
24 accrue on the money judgment at the contractual rate of 18% per annum, and Plaintiffs shall recover  
25 such post-judgment costs including attorneys’ fees as may be reasonably incurred and as may be shown  
26 in enforcing this judgment.

27 The Court enters judgment for Plaintiffs, exclusive of any post-judgment interest, costs, or  
28

1 attorneys fees, in the amount of \$30,178.10, plus further interest (on \$17,509.66) at \$8.63 per day from  
2 October 25, 2005, to the date of judgment.

3 **IT IS SO ORDERED.**

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7 Dated: August 15, 2006

  
MARTIN J. JENKINS  
UNITED STATES DISTRICT JUDGE